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FILED

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SUPERIOR COURT OF NEW JERSEY
BERGEN COUNTY
CHANCERY DIVISION

PETER C. HARVEY,
ATTORNEY GENERAL OF NEW JERSEY and
FRANKLIN L. WIDMANN, Chief of the
New Jersey Bureau of Securities,

Plaintiffs,

v.

WELLESLEY SERVICES, LLC,
a New Jersey Limited Liability Company
f/k/a WS SURVIVOR, L.L.C., et al,

Defendants.

Civil Action

Docket No. BER-C-095-05

CONSENT ORDER
AS TO
DEFENDANT
STEPHEN FUNK

This matter was presented to the Court by Peter C. Harvey,
Attorney General of New Jersey, and Franklin L. Widmann, Chief of
the New Jersey Bureau of Securities ("Bureau"), (Deputy Attorneys
General Victoria A. Manning and Toral Makani Joshi, appearing),
pursuant to N.J.S.A. 49:3-69(a), R. 4:52-1 and R. 4:67 for
violations of the New Jersey Uniform Securities Law (1997),
N.J.S.A. 49:3-47 et seq., ("Securities Law"). Defendant Stephen

Funk ("Funk"), having appeared through counsel, Eric Tunis, Esq. of Greenberg Traurig, LLP, now desires to resolve this matter. Plaintiffs and defendant Funk have agreed to resolve any and all issues in controversy in this action, on the terms set forth in this Consent Order, which terms have, with the consent of the Bureau Chief and defendant Funk, been reviewed and approved by the Honorable Gerald C. Escala as confirmed by entering this Consent Order as to defendant Funk.

FINDINGS OF FACT

- a) Defendant Funk was employed by defendant Wellesley Services, LLC ("Wellesley") and/or Windham Associates, Inc. ("Windham"), from on or about December 15, 1998 until June 2000;
- b) At all relevant times, defendant Funk's assigned employment location was Wellesley's New England office located in the State of Connecticut;
- c) At all relevant times while, defendant Funk served as an unregistered agent of defendants Wellesley, Wellesley Energy LLC and/or Consolidate Transport America, LLC by selling and/or attempting to sell securities in the form of promissory notes;
- d) At all relevant times while employed by Wellesley and/or Windham, defendant Funk was not registered with the Bureau as an agent to offer or sell securities in the

State of New Jersey, nor was he registered with the Bureau in any other capacity;

- e) At all relevant times, while employed by Wellesley and/or Windham, defendant Funk was not a registered agent with the State of Connecticut. In January 2003, Funk entered into a consent order with the State of Connecticut, through the Securities and Business Investments Division of the Department of Banking, admitting (1) to transacting business in Connecticut absent registration as an agent in violation of Section 36b-6(a) of the Connecticut Uniform Securities Act, and (2) violating Section 36b-16 of the Connecticut Uniform Securities Act by offering and selling securities not registered in Connecticut to at least three Connecticut Wellesley investors ("the Connecticut Consent Order").
- f) Defendant Funk paid a \$25,000 administrative fine to the State of Connecticut for his unlawful conduct;
- g) Pursuant to the Connecticut Consent Order, defendant Funk is barred from acting as an agent or broker-dealer in Connecticut until January 2008;
- h) Wellesley, Wellesley Energy LLC and/or Consolidate Transport America, LLC are not now and never have been registered with the Bureau in any capacity, nor are they exempt from registration as broker-dealers;

- i) Wellesley, Wellesley Energy LLC and/or Consolidate Transport America, LLC operated as unregistered broker-dealers and/or issuers in effecting the offer and sale of securities in the form of promissory notes from, to and within New Jersey; and
- j) The securities offered by Wellesley, Wellesley Energy LLC and/or Consolidate Transport America, LLC and/or defendant Funk were not registered with the Bureau or exempt from registration.

IT IS on this 31 day of March, 2006, ORDERED

AND AGREED:

PERMANENT INJUNCTIVE RELIEF

1. Defendant Funk, individually, and by or through any corporation, business entity, agent, employee, partner, officer, director, attorney, stockholder, successor, and/or any other person who is directly or indirectly under his control or direction, is permanently restrained and enjoined from directly or indirectly violating the Securities Law and, specifically, from engaging in the following conduct:
 - (i) offering for sale or selling, distributing, promoting, advertising, soliciting, negotiating, advancing the sale of and/or promoting securities in any manner to, from, or within the State of New Jersey and offering for sale or selling, distributing, promoting, advertising,

soliciting, negotiating, advancing the sale of and/or promoting unregistered securities in any manner to, from, or within the State of New Jersey in violation of N.J.S.A. 49:3-60;

- (ii) issuing securities or engaging in any securities related activity without being registered pursuant to N.J.S.A. 49:3-56(a);
- (iii) acting as an unregistered agent in the State of New Jersey in violation of N.J.S.A. 49:3-56(a); and
- (iv) engaging in the unlawful conduct described in plaintiffs' Verified Complaint filed in this action.

2. Any person with actual or constructive notice of this Consent Order who knowingly aids, abets, counsels, commands or instructs any person or entity to perform any act prohibited by this Consent Order or otherwise to violate any provision of this Consent Order is hereby and shall be subject to punishment for violation of this Consent Judgment.

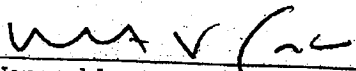
GENERAL PROVISIONS

3. Nothing in this Consent Order shall in any manner be construed to limit or affect the rights of any persons who may have a claim against defendant Funk. The amount of any such claim shall be reduced by any amounts paid to such persons from other sources such as the Court appointed Receiver in this matter, Louis T. DeLucia.

4. It is expressly understood that any investors identified by the Receiver in his final report shall not be barred under the entire controversy doctrine or collaterally estopped from asserting any claims against defendant Funk in separate legal proceedings for principal and interest due from defendant Funk.
5. The parties acknowledge that for the purpose of enforcement of this Consent Order, New Jersey Law shall govern the terms and provisions herein.
6. The parties represent that an authorized representative of each has signed this Consent Order with full knowledge, understanding and acceptance of its terms and that this person has done so with authority to legally bind the respective party.
7. This Consent Order constitutes the entire agreement between plaintiffs and defendant Funk with respect to the subject matter of the Verified Complaint. Any addition, deletion or change to this Consent Order must be in writing and signed by all parties to be bound and approved and signed by the Court.
8. This Consent Order is entered into by the parties as their own free and voluntary act and with full knowledge and understanding of the obligations and duties imposed by this Consent Order.

9. The parties have negotiated, jointly drafted and fully reviewed the terms of this Consent Order and the rule that uncertainty or ambiguity is to construed against the drafter shall not apply to the construction or interpretation of this Consent Order.
10. As used in this Consent Order, the plural shall include the singular and the singular shall include the plural. In addition, "or" and "and" shall be interpreted conjunctively.
11. Except as otherwise explicitly provided in this Consent Order, nothing herein shall be construed to limit the authority of the Attorney General to protect the interests of the State or the people of the State.
12. If any portion of this Consent Order is held invalid or unenforceable by operation of law, the remaining terms of this Consent Order shall not be affected.
13. This Consent Order applies to defendant Funk and shall be binding upon the parties hereto and their successors. In no event shall assignment of any right, power or authority under this Consent Order avoid compliance with this Consent Order.
14. Funk shall not represent or imply that any business practice or other act or practice hereinafter used or engaged in by him has been required or approved, in whole or part, by the Attorney General, the Bureau of Securities, the State of New Jersey or any of the State's agencies, agents or subdivisions.

15. Unless otherwise prohibited by law, any signatures by the parties required for entry of this Consent Order may be executed in counterparts, each of which shall be deemed an original, but all of which shall together be one and the same Consent Order.
16. It is expressly understood that this Consent Order does not settle any claims that the Court appointed Receiver, Louis T. DeLucia, may have against defendant Funk. As such, the Court retains jurisdiction over defendant Funk. This Consent Order in no way affects the Receiver's powers as previously ordered by this Court.


Honorable Gerald E. Escala, J. Ch.

Robert P. Conillo, J.S.C.

Consent to the Form, Content
and Entry of this Consent Judgment:

Eric Tunis

Eric Tunis, Esq.
Greenberg Traurig, LLP
Attorney for Defendant Stephen Funk

Dated: 3/20/06

NANCY KAPLEN
ACTING ATTORNEY GENERAL OF NEW JERSEY

By: Victoria A. Manning
Victoria A. Manning
Deputy Attorney General

Dated: 3/25/06